

Public Utilities Commission of the State of California

***Public Agenda 3076
Thursday, November 29, 2001, 10 a.m.
San Francisco, California***

**Commissioners
Loretta M. Lynch, President
Henry M. Duque
Richard A. Bilas
Carl W. Wood
Geoffrey F. Brown**

For each agenda item, a summary of the proposed action is included; the Commission's decision may, however, differ from that proposed.

Website: <http://www.cpuc.ca.gov>

**Scheduled Commission Meetings
505 Van Ness Avenue, San Francisco**

<i>Ratesetting Deliberative Meeting*</i> <i>Room 5305</i> <i>(1:30 p.m.)</i> <i>Closed to the Public</i>	<i>Commission Meeting</i> <i>Auditorium</i> <i>(10 a.m.)</i> <i>Open to the Public</i>
Monday, November 26	Thursday, November 29
Thursday, December 6	Tuesday, December 11

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held. A "✓" next to the date indicates that the meeting will be held. A "✓" next to the item number on the Agenda indicates that the matter will be considered during the Ratesetting Deliberative Meeting.*

A "◆" next to the item number on the Agenda indicates that the matter may be considered during Closed Session pursuant to Public Utilities Code Section 1701.2(c); thereafter the Commissioners will reconvene in Public Session to vote on the item.

Matters of Public Interest

For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.

For further information contact the Public Advisor
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This location is accessible to people with disabilities. If specialized accommodations for the disabled are needed, e.g. sign language interpreters, please call the Public Advisor at (415) 703-2074 or TTY# (415) 703-5282 or toll free # 1-866-836-7825 three business days in advance of the meeting.

PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
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CONSENT AGENDA

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

ORDERS AND RESOLUTIONS

- CA-1** **Res TL-18980 -** Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- CA-2** **Res ALJ-176-3076 -** Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.
- CA-3** **A01-05-037 – Bhupinder K. Saini dba East Bay Express Airporter (Applicant).**
This decision dismisses the Applicant's request to extend his passenger stage corporation certificate. This proceeding is closed.
(Exam Horner)
(Section 311(g)(1))
- CA-4** **A96-09-028 – Pacific Gas and Electric Company.**
For authority to continue the unbundling of interstate transmission charges from core transport rates, and to address Canadian transmission capacity and charges as they relate to core transport rates, beginning January 1, 1998. This decision modifies D97-12-032 to grant core aggregators an assignment of gas transportation capacity on the ANG and NOVA pipelines. Adopts restrictions to stabilize core aggregation in natural gas market without subsidizing expansion of aggregation market. This proceeding is closed.
(Com Bilas – ALJ Sullivan)
(Section 311(g)(1))

- CA-5 R98-12-014 - Order instituting rulemaking on the Commission's own motion regarding Commission policy on area code relief.**
On December 17, 1998, the Commission opened R98-12-014 to consider policy options to govern the implementation of new area codes. Since that time, the Commission has addressed area code policy options in R95-01-043/I95-04-044. As a result, there is no longer a need for R98-12-014. This proceeding is closed.
(Com Lynch – ALJ Kenney)
(Section 311(g)(1))
- CA-6 A01-08-037 - San Diego Gas & Electric Company (SDG&E).**
This decision grants SDG&E's request to exchange radio frequencies and equipment with Nextel of California, Inc. This proceeding is closed.
(Com Brown – ALJ Galvin)
- CA-7 A01-05-042 - GST Telecom California, Inc. and GST Pacific Lightwave, Inc. (GST).**
This decision grants GST's application to withdraw from providing telecommunications services in California. This decision approves the transfer of GST's local exchange customers to Pacific Bell Telephone Company. This proceeding is closed.
(Com Brown – ALJ Grau)
- CA-8 A01-06-030 - Robert Charles Torres, Jr., dba Split Second Enterprises, Inc. (Applicant).**
This decision grants Applicant's request for a household goods carrier permit. This proceeding is closed.
(Com Duque – ALJ Bushey)
(Section 311(g)(1))
- CA-9 A00-11-038 - Southern California Edison Company.**
For authority to institute a rate stabilization plan with a rate increase and end of rate freeze tariffs. A00-11-056; A00-10-028 - Related Matters. This decision awards Aglet Consumer Alliance \$100,147.63 in compensation for its contribution to D01-03-081, D01-03-082, D01-04-005, and D01-05-064.
(Com Lynch – ALJ DeBerry)

- CA-10 A99-12-025 – Valencia Water Company (Valencia).**
This decision approves Valencia’s 1999 Water Management Program and Advice Letters 88 and 90 authorizing expansion of its service area. This proceeding is closed.
(Com Brown – ALJ Patrick)
(Section 311(d))
- CA-11 A01-08-023 - KMC Data, LLC.**
This decision grants the application of KMC Data, LLC, for a certificate of public convenience and necessity to provide limited facilities-based and resold local exchange service, and resold interexchange service. This proceeding is closed.
(Com Wood – ALJ O’Donnell)
- CA-12 A00-09-065 – DLC Enterprises, Inc. dba Direct Link Communications, Inc. (Applicant).**
For a certificate of public convenience and necessity (CPCN) to provide limited facilities-based and resold local exchange services in California. A00-10-041 – Related Matter. This decision grants Applicant a CPCN to provide limited facilities-based and resold local exchange and interexchange services. These proceedings are closed.
(Com Wood – ALJ O’Donnell)
- CA-13 A01-03-048 – GiantLoop Telecom, Inc.**
This decision grants the application of GiantLoop Telecom, Inc., for a certificate of public convenience and necessity to provide limited facilities-based and resold local exchange and interexchange services. This proceeding is closed.
(Com Wood – ALJ O’Donnell)
- CA-14 R01-06-022 – Order instituting rulemaking on the Commission’s own motion into General Order (GO) 163, relating to the Commission’s contracting for architectural, engineering, and environmental services.**
This decision revises the Commission’s GO 163, that sets forth the Commission’s procedures for procuring architectural, engineering, and environmental services consistent with Sections 4529-4529.5 of the Government Code.
(Com Lynch)
(Section 311(g)(1))

- CA-15 A01-08-005 – Anew Telecommunications Corporation dba Call America (Applicant).**
This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based and resold local exchange and interexchange services. Applicant is prohibited from using its name, Anew Telecommunications Corporation, to solicit customers. This proceeding is closed.
(Com Wood – ALJ O'Donnell)
- CA-16 A00-07-055 - San Diego Gas and Electric Company.**
For authority to provide customers with real-time energy meters. This decision awards The Utility Reform Network \$3,482.25 in compensation for its contribution to D01-05-032. This proceeding is closed.
(Com Wood – ALJ Evans)
- CA-17 A99-01-011 - Pacific Gas and Electric Company.**
For authority to recover costs recorded in the catastrophic event memorandum account. This decision grants Aglet Consumer Alliance and James Weil an award of \$12,512.80 in compensation for contributions to D00-04-050. This proceeding is closed.
(Com Duque – ALJ Walker)
- CA-18 A01-04-022 – Santa Clara Valley Transportation Authority (VTA).**
This decision grants the request of VTA to construct a grade separated crossing at Park Avenue by the light rail transit line of the Vasona Light Rail Project in the City of San Jose, Santa Clara County. This proceeding is closed.
(Exam Horner)
- CA-19 A01-05-060 – Santa Clara Valley Transportation Authority (VTA).**
This decision grants the request of VTA to construct at-grade crossings at Orchard City Drive, Campbell Avenue and Civic Center Drive, and at-grade pedestrian crossings at Downtown Campbell Station by the light rail transit line of the Vasona Light Rail Project in the City of Campbell, Santa Clara County. This proceeding is closed.
(Exam Horner)
- CA-20 A01-05-061 – Santa Clara Valley Transportation Authority (VTA).**
This decision grants the request of VTA to construct at-grade crossings at Fruitdale Avenue and Leigh Avenue, and an at-grade pedestrian crossing at Fruitdale Station by the light rail transit line of the Vasona Light Rail Project in the City of San Jose, Santa Clara County. This proceeding is closed.
(Exam Horner)

- CA-21 A01-05-062 – Santa Clara Valley Transportation Authority (VTA).**
This decision grants the request of VTA to construct grade separated crossings at Interstate 280 and Meridian Avenue by the light rail transit line of the Vasona Light Rail Project in the City of San Jose , Santa Clara County This proceeding is closed.
(Exam Horner)
- CA-22 A01-08-043 – XO California, Inc. and ICG Telecom Group, Inc. (Applicants).**
For modification of D94-09-065 so that competitive local carriers and nondominant interexchange carriers may withhold customer names from filings of General Order (GO) No. 96-A contracts and may also make such contracts effective on 14 days' notice. This decision grants Applicants' request for modification of D94-09-065 regarding the filing of customer specific contracts under GO 96-A. This proceeding is closed.
(Com Duque – ALJ Duda)
- CA-23 Res T-16603 – FiberStreet Transmission, Inc.**
This resolution revokes its certificate of public convenience and necessity. at the request of FiberStreet Transmission, Inc
- CA-24 A01-06-013 – County of Los Angeles.**
This decision grants the request of the County of Los Angeles for authority to construct an overhead grade separation bridge structure at Lost Canyon Road over the Southern California Regional Air Authority's Metrolink commuter rail main line tracks in an unincorporated county area east of the City of Santa Clarita, Los Angeles County. This proceeding is closed.
(Exam Horner)
- CA-25 Res ST-52 – Santa Clara Valley Transportation Authority (SCVTA).**
This resolution grants SCVTA's request for authority to deviate from the rear vision mirrors requirements of General Order 143-B, Section 3.03 to permit the use of cameras instead of mirrors. The deviation allows the use of rear vision cameras as requested to be the standard specified in the acquisition of the new low floor light rail vehicles without compromising the safety function of the required rear vision mirrors.

- CA-26 Res ST-53 – Santa Clara Valley Transportation Authority (SCVTA).**
This resolution grants the request of SCVTA for new vehicles to use a deadman control mechanism similar to that currently employed by SCVTA's existing fleet of light rail vehicles (LRV's). The deviation allows the use of a retrievable option on the deadman control mechanism of the new low floor LRV's SCVTA is purchasing. The retrievable option will not compromise the safety function of the deadman controller.
- CA-27 Res T-16602 – Pacific Bell Telephone Company (Pacific).**
This resolution approves a resale agreement between Pacific and Empire One Telecommunications, Inc. in accordance with the provisions of General Order 96-A, and Resolution ALJ-181.
(Advice Letter 22153 filed September 13, 2001)
- CA-28 A01-07-035 – Southern California Edison Company (SCE).**
SCE seeks authority to lease to Power Storage El Monte, LLC (Power Storage) a 5.8-acre site located on portions of SCE's Rio Hondo-Mesa 220 kilovolt (kV), Antelope-Mesa 220 kV, Laguna Bell-Rio Hondo 220 kV, and Rio Hondo-Amador-Jose-Mesa 66 right of way in the City of South El Monte. Power Storage would develop a self-storage facility on the site, a use that SCE states will not interfere with its utility operations. The application is unopposed. The Commission grants the application but, based on our new procedures for applications like this one, the Commission requires SCE within 120 days to submit documents attesting to the appropriate environmental review of the project. This proceeding is closed.
(Com Bilas – ALJ Walker)
(Agenda 3073, Item CA-28, 10/10/01; Agenda 3074, Item CA-46, 10/25/01; Req –Commission)
- CA-29 A01-09-022 – Pacific Pipeline System LLC and Pacific Energy Group LLC.**
This application seeks authorization under Section 854(a) of the Public Utilities Code of a change of control of Pacific Pipeline System LLC through an internal corporate reorganization. The application is unopposed. The application is granted. This proceeding is closed.
(Com Bilas – ALJ Walker)
(Agenda 3075, Item CA-20, 11/8/01; Req - Commission)

CA-30 R00-01-005 - Order instituting rulemaking into implementation of Assembly Bill 1149, regarding underground electric and communications facilities.

This interim opinion revises the rules governing the State's program to convert overhead electric and communications lines to underground. This order expands Rule 20A criteria; extends the use of Rule 20A funds; allows cities to mortgage 20A funds for five years; requires standardized reporting from the utilities; improves communication between utilities and residents; and orders the creation of an updated Undergrounding Planning Guide.

(Com Duque - ALJ Brown)

(Section 311(g)(1))

(Agenda 3075, Item CA-3, 11/8/01; Req - Commission)

CA-31 R95-04-043 - Order Instituting Rulemaking on the Commission's Own Motion Into Competition for Local Exchange Service. I95-04-044 – Related matter.

This decision concludes that Pacific Bell Telephone Company (Pacific) and Cox California Telcom, L.L.C. (Cox) should not be required to undertake additional measures to retrieve more of the "tainted" directories (i.e., directories that inadvertently included names and listings for some Cox customers who had requested unlisted or non-published numbers) that were published and distributed by Pacific in South and East San Diego County in May of 2000. The decision also concludes that in view of the fact that Cox and Pacific have spent over \$15 million in retrieving the tainted directories, printing and distributing new directories, and defending and settling related litigation, it would not be appropriate to impose penalties on the two carriers on account of the tainted directory situation.

(Rev.)
11/27/01

(Com Bilas – ALJ McKenzie)

(Section 311(d))

(Agenda 3071, Item 3, 9/20/01; Agenda 3075, Item H-4, 11/8/01;

Req - Commission)

This revision was not listed on the agenda distributed to the public.

CA-32 A01-09-026 – Verizon California Inc. (Verizon).

This decision grants request for authority under Section 851 to lease portions of its property located at One Verizon Way in Thousand Oaks, California, to Baxter Healthcare Corporation, pending consideration of Verizon's application for sale of the same property. This decision grants approval of the lease portion of the application.

(Com Duque – ALJ Duda)

CA-33 Res T-16596 – Pacific Bell Telephone Company (PacBell).

This resolution approves PacBell's request to offer Anonymous Call Rejection Service permanently.

(Advice Letter 21423 filed October 12, 2000)

(*Section 311(g)(1)*)

(Agenda 3075, Item CA-9, 11/8/01; Req - Commission)

REGULAR AGENDA

UTILITY AND TRANSPORTATION ORDERS

ORDERS HELD OVER

H-1 A00-05-043 – Southern California Water Company (SoCalWater) and Peerless Water Company (Peerless).

This decision denies the joint motion of SoCalWater, Peerless and the Office of Ratepayer Advocates to approve a two-party settlement because the plan of merger is unreasonable and not in the public interest. This proceeding is closed.

(Com Duque – ALJ Bennett)

(Section 311(d))

(Agenda 3075, Item 1, 11/8/01; Req - Commission)

H-2 A00-11-007 – San Diego Gas & Electric Company (SDG&E).

For authority to make various electric rate design changes, close certain rates, and revise cost allocation among customer classes effective August 1, 2001. This decision makes minor changes to SDG&E's rate design. There is no change to any electric customer rate class. All changes are revenue neutral within each class. This proceeding is closed.

(Com Lynch – ALJ Barnett)

(Section 311(g)(1))

(Agenda 3075, Item CA-7, 11/8/01; Req - Commission)

H-3 A01-04-007 – Southern California Gas Company (SoCalGas).

This decision addresses the terms and conditions upon which SoCalGas may sell the 14 Bcf of reclassified cushion gas at its Aliso Canyon and La Goleta storage fields.

(Com Lynch – ALJ Wong)

(Agenda 3073, Item 3, 10/10/01; Agenda 3075, Item H-5, 11/8/01;

Req - Commission)

- H-4 A93-12-025 – Southern California Edison Company.**
 For authority to increase its authorized level of base rate revenue under the Electric Revenue Adjustment Mechanism for service rendered beginning January 1, 1995 and to reflect this increase on rates. I94-02-002 – Related Matter. This decision modifies D96-04-059 to eliminate a revenue sharing mechanism and associated pricing provisions adopted for San Onofre Nuclear Generating Units Nos. 2 and 3 (SONGS 2&3), clarifies that San Diego Gas & Electric Company will have an obligation to serve ratepayers with SONGS 2&3 generation after 2003, and establishes a ratemaking method to reduce the Assembly Bill 265 Undercollection Balancing Account. This proceeding is closed.
 (Com Duque – ALJ Econome)
(Rev.) (Section 311(g)(1))
 11/28/01 (Agenda 3073, Item 1, 10/10/01; Req – Commission)
This revision was not listed on the agenda distributed to the public.
- H-5 A99-09-029 – Pacific Gas and Electric Company (PG&E).**
 For a certificate of public convenience and necessity authorizing the construction of the Northeast San Jose Transmission Reinforcement Project. This decision resolves remaining issues in the proceeding relating to the cost of and need for PG&E's proposed Northeast San Jose Transmission Project. This proceeding is closed.
 (Com Duque – ALJ Thomas)
 (Section 311(d))
 (Agenda 3074, Item 4, 10/25/01; Agenda 3075, Item H-7, 11/8/01; Req - Commission)
- H-6 R01-08-028 - Order instituting rulemaking to examine the Commission's future energy efficiency policies, administration and programs.**
 This interim decision adopts new energy efficiency policy rules, and sets forth the criteria parties should use in applying for energy efficiency funding for the 2002-03 period.
(Rev.) (Com Lynch – ALJ Thomas)
 11/28/01 (Agenda 3075, Item 2, 11/8/01; Req - Commission)
This revision was not listed on the agenda distributed to the public.

- H-7 R95-04-043 - Order instituting rulemaking on the Commission's own motion into competition for local exchange service. I95-04-044 – Related matter.**
This decision denies in part and grants in part the petition to modify D98-01-022 filed by Metro One Telecommunications, Inc. and InfoNXX. The limited modification requires Pacific Bell to discontinue charging a per query fee to third-party purchasers of access to its Directory Assistance database.
(Com Bilas – ALJ Pulsifer)
(Section 311(g)(1))
(Agenda 3075, Item 6, 11/8/01; Req - Commission)
- H-8 R97-04-011 - Order Instituting Rulemaking to Establish Standards of Conduct Governing Relationships Between Energy Utilities and Their Affiliates. I97-04-012 – Related matter.** This decision revises the disclaimer requirement set forth in Section V.F.1 of the Affiliate Transaction Rules so that the revised language the Commission adopted for San Diego Gas & Electric Company and Southern California Gas Company will be made applicable to all utilities covered by the Rules. The decision also vacates the penalty the Commission assessed against Pacific Gas and Electric Company (PG&E) in D98-11-026 and D99-03-025 because it was based on PG&E's violation of a Rule which the Commission has subsequently found was not narrowly tailored to achieve an appropriate balance between utilities' commercial speech rights and the Commission's substantial interest in promoting competition. These proceedings are closed.
(Com Bilas – ALJ Econome)
(Section 311(g)(1))
(Agenda 3069, Item CA-4, 8/23/01; Agenda 3075, Item H-1, 11/8/01; Req – Commission)
- H-9 C98-06-016 - The Utility Consumers' Action Network (UCAN) vs. MCI Metro Access Transmission Services, Inc. (MCI Metro).**
This decision finds that MCI Metro has resolved all billing errors included in this proceeding, and that these errors support a fine of \$250,000 as requested by UCAN. MCI Metro's forthright and cooperative conduct in resolving these errors, however, mitigates the need for the fine. This proceeding is closed.
(Com Bilas - ALJ Bushey)
(Section 311(g)(1))
Agenda 3053, Item 1, 12/21/00; Agenda 3070, Item H-2, 9/6/01;
Req – Commission)

- H-9a** **ALTERNATE ORDER TO ITEM H-9.** This alternate order finds that MCI Metro, in compliance with D99-04-053, has resolved billing errors, and that these errors support a fine. This proceeding is closed.
(Com Wood)
(Agenda 3055, Item H-4a, 1/18/01; Agenda 3070, Item H-2a, 9/6/01; Req - Commission)
- H-10** **R_____ - Order instituting rulemaking to consider present practices and rules and determine the need for new rules applicable to the calculation and processing: (1) of offset increases for water utilities related to unanticipated increases in purchased power, purchased water and pump tax, and (2) the balancing account treatment of these new expense increases and corresponding revenues authorized to achieve non general rate case recovery of those expenses.**
(Agenda 3075, Item 3, 11/8/01; Req - Commission)

ORDERS**1 R98-07-038 - Rulemaking for purposes of revising General Order (GO) 96-A regarding informal filings at the Commission.**

This decision would adopt part of the rules proposed for GO 96-B. The adopted rules require each telecommunications utility to notify its affected customers in advance whenever that utility proposes to raise its rates or charges, withdraw services, or transfer the customers to another service providers.

(Com Duque – ALJ Kotz)

(Section 311(g)(1))

2 R01-03-023 - Order instituting rulemaking into whether the curtailment and diversion priorities for noncore natural gas customers in the service territories of Pacific Gas and Electric Company (PG&E), and Southern California Gas Company (SCE) should be changed.

(Rev.) This decision determines that granting a priority to electric generators for natural gas service is not needed to avoid disruptions in electric service. No supply conditions warrant a change in service priorities. Furthermore, no changes in gas storage regulations for SCE or PG&E are needed to insure the reliability of gas supply in the next 12 months.

(11/20/01)

(Com Bilas – ALJ Sullivan)

(Section 311(g)(1))

This revision was not listed on the agenda distributed to the public.

3 R00-02-005 – Order instituting rulemaking on the Commission’s own motion into reciprocal compensation for telephone traffic transmitted to internet services providers modems.

This decision denies in part and grants in part the motion filed by Pac-West Telecomm, Inc. regarding implementation of the Order by the Federal Communications Commission regarding intercarrier compensation for internet-bound traffic.

(Com Wood – ALJ Pulsifer)

(Section 311(g)(1))

4 A00-07-040 – Southern California Gas Company (SoCalGas).

This decision grants SoCalGas authority to discontinue installation of earthquake gas shutoff valves on its side of the meter, and to raise or establish certain rates and charges. This decision denies SoCalGas’ request to recover inspection costs from core customers. This proceeding is closed

(Com Wood - ALJ O’Donnell)

(Section 311(d))

- 4a** **ALTERNATE ORDER TO ITEM 4.** This alternate order grants the request of Southern California Gas Company (SoCalGas) to cease its earthquake valve program but denies ratepayer funding of the cost related to additional safety inspections. Any necessary inspections must be supported with existing funds. This alternate differs from the ALJ's Proposed Decision in that the alternate does not address the need for additional inspections based on safety concerns. It leaves that judgement to SoCalGas. (Com Wood)
- 5** **A00-10-012 – Los Angeles to Pasadena Metro Blue Line Construction Authority (Applicant).**
For authority to construct two light rail transit tracks at-grade crossing West Avenue 45 in the City and County of Los Angeles, California. This decision affirms the Assigned Commissioner's Ruling allowing construction of crossings at the Applicant's risk. It also requires Applicant to provide evidence of the amount at taxpayer risk.
(Com Bilas – ALJ Rosenthal)
- 6** **R_____ - Order Instituting Rulemaking regarding the implementation of the suspension of direct access.**
By D01-09-060, issued September 20, 2001, pursuant to Assembly Bill 1X, the Commission suspended direct access, i.e., the ability of electric utility customers to purchase electricity from Electric Service Providers. In this rulemaking, the Commission will consider the issues related to implementation of the suspension of direct access, including the effect to be given to contracts executed or agreements entered into on or before September 20, 2001, as well as renewal of any contracts or agreements.

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- 7 (Rev.)** **I _____ - Order Instituting Investigation and Order to Show Cause**
11/28/01 **(OSC). An Order Instituting Investigation is opened into the actions of**
 Southern California Edison Company (Edison) and its officers and
 employees for non-compliance with D01-06-039. A related OSC is
 issued and Edison and its officers and employees responsible for
 deciding that Edison would not tender its Notice of Intent for Test Year
 2003 on September 13, 2001, are hereby ordered to appear before the
 Commission and show cause whether they failed to comply with
 D01-06-039; and to consider appropriate sanctions and penalties.
 This revision was not listed on the agenda distributed to the public.
- 8 (Rev.)** **I _____ - Order Instituting Investigation and Order to Show Cause**
11/28/01 **(OSC). An Order Instituting Investigation is opened into the actions of**
 Pacific Gas and Electric Company (PG&E) and its officers and
 employees for non-compliance with Ordering Paragraph (OP) 2 of
 D01-10-059. A related OSC is issued and PG&E and its officers and
 employees responsible for deciding that PG&E would not tender its
 Notice of Intent for Test Year 2003 on November 14, 2001 are hereby
(Rev.) **ordered to appear before the Commission and show cause whether they**
11/29/01 **failed to comply with OP 2 of D01-10-059, and to consider appropriate**
 sanctions and penalties.
 This revision was not listed on the agenda distributed to the public.
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UTILITIES RESOLUTIONS AND WRITTEN REPORTS

ENERGY MATTERS

- E-1 Res E-3761 – Southern California Edison Company (SCE).**
SCE seeks the Commissions approval to establish a Risk Management Memorandum Account to record costs associated with hedging fuel cost. The Commission affirms and explains staff action regarding effective date. (Advice Letter (AL) 1579-E filed October 5, 2001 and Supplemental AL 1579-EA filed October 16, 2001)
- E-2 Res G-3320 – Southern California Gas Company (SoCalGas).**
(Rev.) SoCalGas requests the Commission to authorize the implementation of a
11/27/01 new service allowing telecommunication carriers and cable TV companies to place fiber optic cable in SoCalGas active gas pipelines under a tariffed rate.
(Advice Letter 3040 filed July 13, 2001)
This revision was not listed on the agenda distributed to the public.

TELECOMMUNICATIONS MATTERS

- C-1** **Res T-16597 – Kerman Telephone Company (Kerman).**
This resolution rejects without prejudice Kerman's Advice Letter (AL) 291 for a general rate case filing in accordance with D01-02-018, and requires Kerman to resubmit its general rate case filing by application, no later than March 31, 2002, for a test year 2003.
(AL 291 filed June 1, 2001)
(Section 311(g)(1))
(Agenda 3075, Item C-1, 11/8/01; Req - Commission)
- C-2** **Res T-16522 – Pacific Bell Telephone Company (Pacific).**
(Rev.) This resolution gives notice to carriers that Amendment No. 6 to the
11/21/01 interconnection agreement between Pacific and Covad Communications
Group, Inc. (Covad) became effective under Section 252 of the
Telecommunications Act of 1996 as implemented by the California Public
Utilities Commission in Resolution ALJ 181. Provisions of this resolution
notify Covad and Pacific that Section L of Amendment No. 6 will not be
enforced as it is not in the public interest to do so. Advocacy rights are not
appropriate subject matters for negotiation of interconnection agreements
and this Commission will not enforce such provisions.
(Advice Letter (AL) 21573 filed January 18, 2001 and Supplemental AL
21573A filed February 14, 2001)
(Section 311(g)(1))
(Agenda 3074, Item C-1, 10/25/01; Agenda 3075, Item C-3, 11/8/01; Req -
Commission)
This revision was not listed on the agenda distributed to the public.

WATER MATTERS

- W-1** **Res. W-4294 - All water and sewer service utilities.** Order modifying balancing account protection for off-settable expenses.
(Agenda 3069, Item W-1, 8/23/01; Agenda 3075, Item W-1, 11/8/01; Req – Commission).
- W-1a** **ALTERNATE RESOLUTION TO ITEM W-1.** This alternate resolution orders the Director of the Water Division to submit for Commission review an order instituting a rulemaking and keeps the current offset rate case/balancing account mechanism modified to permit recovery of offset revenue just enough to allow the utility to earn its last authorized return.
(Com Duque)
- W-2** **Res W-4280 – California-American Water Company (Cal-Am).**
This resolution authorizes Cal-Am an offset increase in rates producing an overall increase of \$360,188 or 2.14% in additional revenue.
(Advice Letter 553, filed May 29, 2001)
(Agenda 3067, Item CA-30, 7/12/01; Agenda 3075, Item W-2, 11/8/01; Req - Commission)

COMMISSIONERS' REPORTS

MANAGEMENT REPORTS

CLOSED SESSION

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the disclosures required by Government Code Sections 11125.2 and 11126.3(f).

NON-FEDERAL ITEMS

ORDERS HELD OVER

- HEX-1** **Conference with Legal Counsel – Application for Rehearing.**
A01-05-032, A01-05 –043 and A01-05-044 –Disposition of Applications for Rehearing of Resolution M-4801, filed by the California Association of Competitive Telecommunications Companies, Southern California Edison Company and San Diego Gas & Electric Company/Southern California Gas Company, respectively. On April 19, 2001, by Resolution M-4801, the Commission confirmed staff's authority to suspend the effectiveness of advice letter filings of tariff changes.
(Gov. Code § 11126(e)(2)(B)(i).)
(Agenda 3071, Item EX-8, 9/20/01; Agenda 3073, Item HEX-3, 10/10/01; Req - Commission)

HEX-2**Conference with Legal Counsel – Application for Rehearing**

A01-06-043 – Disposition of the application for rehearing of D01-08-070 filed by Pacific Gas and Electric Company (PG&E). D01-08-070 grants PG&E a limited exemption from the requirements of Public Utilities Code Section 851 for the lease of space at three substations to CalPeak Power LLC for the installation of electric generation units. D01-08-070 also provides notice that the Commission will consider sanctions against PG&E for possible violation of California law and Commission authorities. In its application for rehearing, PG&E alleges: 1) the Decision is inconsistent with previous decisions of the Commission and the language of General Order (GO) 69-C; 2) the Commission modified GO 69-C using an improper ratemaking procedure; 3) the Commission should utilize a quasi-legislative process before changing the scope of GO 69-C; and 4) the Commission should not have issued an order to show cause against PG&E.

(Rev.)

(Gov. Code § 11126 (e)(2)(B)(i).)

(11/21/01)

(Agenda 3075, Item EX-10, 11/8/01; Req - Commission)

This revision was not listed on the agenda distributed to the public.**HEX-3****Conference with Legal Counsel – Application for Rehearing**

A01-07-031 – Disposition of the application for rehearing of D01-08-069 filed by Pacific Gas and Electric Company (PG&E). D01-08-069 grants PG&E's application for approval of two easements on PG&E land to Delta Energy, LLC under Public Utilities Code Section 851. D01-08-069 also provides notice that the Commission will consider sanctions against PG&E for its extraordinary delay in filing its application and its possible violation of California law and Commission authorities. In its application for rehearing, PG&E alleges: 1) the Decision is inconsistent with previous decisions of the Commission and the language of General Order (GO) 69-C; 2) the Commission modified GO 69-C using an improper ratemaking procedure; 3) the Commission should utilize a quasi-legislative process before changing the scope of GO 69-C; and 4) the Commission should not have issued an order to show cause against PG&E.

(Rev.)

(Gov. Code § 11126 (e)(2)(B)(i).)

(11/21/01)

(Agenda 3075, Item EX-9, 11/8/01; Req - Commission)

This revision was not listed on the agenda distributed to the public.**HEX-4****Conference with Legal Counsel – Application for Rehearing.**

A99-03-025 – Disposition of the application for rehearing of D01-06-077 filed by Roseville Telephone Company (Roseville) on August 8, 2001. The decision reviewed Roseville's new regulatory framework.

(Gov. Code § 11126(e)(2)(B)(i))

(Agenda 3074, Item EX-5, 10/25/01; Agenda 3075, Item HEX-4, 11/8/01; Req - Commission)

HEX-5

Conference with Legal Counsel – Application for Rehearing

R99-11-022 - Disposition of applications for rehearing of D01-03-067 filed by Southern California Edison Company (SCE) and Pacific Gas and Electric Company (PG&E). In D01-03-067, the Commission adjusted the short-run avoided cost formula applicable to energy payments to be made by California's electric utilities to Qualifying Facilities (QFs). The Commission also issued specific orders to SCE, PG&E, and San Diego Gas and Electric Company regarding their obligations to make timely payments to the QFs.

(Rev.)
(11/19/01)

(Gov. Code § 11126(e)(2)(B)(i).)

(Agenda 3067, Item EX-9, 7/12/01; Agenda 3070, Item HEX-11, 9/6/01;
Req - Commission)

ORDERS

- EX-1 Conference with Legal Counsel – Applications for Rehearing**
Compilation of applications for rehearing recently filed with the Commission.
(Gov. Code §. 11126(e)(2)(B)(i).)
- EX-2 Conference with Legal Counsel – Threatened Litigation**
Significant exposure to litigation.
(Gov. Code § 11126(e)(2)(B).)
- EX-3 Conference with Legal Counsel – Initiation of Litigation**
Consideration of possible Commission initiation of, or intervention in, litigation.
(Gov. Code § 11126(e)(2)(C)(i).)
- EX-4 Personnel Matters**
Consideration of appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought against that employee by another person or employee.
(Gov. Code § 11126(a).)
- EX-5 Conference with Legal Counsel – Initiation of Enforcement Proceeding**
Deliberation on institution of proceeding or disciplinary actions against person or entities under the Commission's jurisdiction. (Disclosure of case name would fail to protect the private economic or business reputation of the person or entity if the proceeding or disciplinary action is not commenced and disclosure could also jeopardize the ability to effect personal service on the Respondent.)
(Gov. Code § 11126(d)(2), 11126(e)(2)(C)(i).)
- EX-6 Conference with Legal Counsel – Initiation of Enforcement Proceeding**
Deliberation on institution of proceeding or disciplinary actions against person or entities subject to Commission's jurisdiction. (Disclosure of case name would fail to protect the private economic or business reputation of the person or entity if the proceeding or disciplinary action is not commenced.)
(Gov. Code § 11126(d)(2), 11126(e)(2)(C)(i).)

- EX-7** **Conference with Legal Counsel – Application for Rehearing**
I98-02-025 - Disposition of application for rehearing of D00-04-003 filed by Greenlining Institute. D00-04-003 granted the Greenlining Institute and Latino Issues Forum intervenor compensation awards for contributions to D98-12-084.
(Gov. Code § 11126(e)(2)(B)(i).)
- EX-8** **Conference with Legal Counsel – Motion for Stay**
C98-04-004, C98-06-003, C98-06-027, C98-06-049, I90-02-047.
Disposition of Pacific Bell’s emergency motion for a stay pending rehearing and judicial review of D01-09-058. D01-09-058 imposes fines and remedial measures on Pacific Bell for practices associated with its marketing of optional services to residential customers.
(Gov. Code § 11126(e)(2)(B)(i).)
- EX-9** **Conference with Legal Counsel – Application for Rehearing**
A00-05-015, A00-05-016 – Disposition of application for rehearing and request for stay of D01-09-057 filed by the Montara Sanitary District (MSD), and the application for rehearing of D01-09-057 filed by the Office of Ratepayer Advocates (ORA) on October 4, 2001. The challenged decision authorized the acquisition of all of the water utility assets of Citizens Utilities Company of California and its Safe Drinking Water Bond Act Loan indebtedness by California American Water Company.
(Gov. Code § 11126(e)(2)(B)(i))
- EX-10** **Conference with Legal Counsel – Application for Rehearing**
A00-12-041 - Disposition of Applications for Rehearing of D01-08-022 filed by Southern California Edison Company and by California Cable Television Association, MCI WorldCom Communications, Inc., and ICG Telecom Group, Inc. In D01-08-022, the Commission granted Southern California Edison Company’s application (pursuant to Public Utilities Code Section 851) for authority to lease property to Chuka Foods, subject to environmental review; and required future Section 851 applications for transfer of utility property to include documentation of local CEQA review.
(Gov. Code § 11126(e)(2)(B)(i))

FEDERAL ITEMS

- FEX-1 Conference with Legal Counsel – Initiation of Litigation**
Consideration of possible Commission initiation of, or intervention in,
federal agency or court proceedings.
(Gov. Code § 11126(e)(2)(C)(i).)

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Those intervenors who have financial hardship determination pending or granted shall be eligible to receive draft agenda item packets at no charge.

**Results of Commission Meeting
November 29, 2001 -- Agenda 3076**

Commissioners present: Lynch, Duque, Bilas, Wood & Brown

Public Comment:

re H-1: Scott Larson, Councilmember, City of Bellflower
on behalf of himself and elected officials from Paramount and Lakewood
(The cities are parties but President Lynch exercised discretion to allow
a representative of the elected officials to speak on his own behalf.
(Gov Code Sec 11125.7(f))

(Decision numbers have been issued but processing the decisions for mailing may take up to 10 days.)

Item #	Proceeding # or Resolution #	Decision #	Action Taken	Comments
CAs				
CA-1	Res TL-18980		Approved 5-0	
CA-2	Res ALJ-176-3076		Approved 5-0	
CA-3	A01-05-037	D01-11-042	Signed 5-0	
CA-4	A96-09-028		Held to 1st January 2002 meeting. (week of January 7)	Regular Agenda
CA-5	R98-12-014	D01-11-043	Signed 5-0	
CA-6	A01-08-037	D01-11-044	Signed 5-0	
CA-7	A01-05-042	D01-11-045	Signed 5-0	
CA-8	A01-06-030	D01-11-046	Signed 5-0	
CA-9	A00-11-038 etal	D01-11-047	Signed 5-0	
CA-10	A99-12-025	D01-11-048	Signed 5-0	
CA-11	A01-08-023	D01-11-049	Signed 5-0	
CA-12	A00-09-065 etal	D01-11-050	Signed 5-0	
CA-13	A01-03-048	D01-11-051	Signed 5-0	
CA-14	R01-06-022		Held to 12/11	Consent Agenda
CA-15	A01-08-005	D01-11-052	Signed 5-0	
CA-16	A00-07-055	D01-11-053	Signed 5-0	
CA-17	A99-01-011	D01-11-054	Signed 5-0	
CA-18	A01-04-022	D01-11-055	Signed 5-0	
CA-19	A01-05-060	D01-11-056	Signed 5-0	
CA-20	A01-05-061	D01-11-057	Signed 5-0	
CA-21	A01-05-062	D01-11-058	Signed 5-0	
CA-22	A01-08-043	D01-11-059	Signed 5-0	Pres Lynch will file a concurrence.
CA-23	Res T-16603		Approved 5-0	
CA-24	A01-06-013	D01-11-060	Signed 5-0	
CA-25	Res ST-52		Approved 5-0	
CA-26	Res ST-53		Approved 5-0	
CA-27	Res T-16602		Approved 5-0	
CA-28	A01-07-035	D01-11-061	Signed 5-0	
CA-29	A01-09-022		Held to 12/11	Consent Agenda

CA-30	R00-01-005		Held to 12/11	Consent Agenda
CA-31	R95-04-043 etal	D01-11-062	Signed 5-0	
CA-32	A01-09-026	D01-11-063	Signed 5-0	
CA-33	Res T-16596		Held to 12/11	Consent Agenda
HELD				
H-1	A00-05-043	D01-11-064	Signed 5-0	
H-2	A00-11-007	D01-11-065	Signed 5-0	
H-3	A01-04-007		Held to 12/11	
H-4	A93-12-025 etal		Held to 12/11	
H-5	A99-09-029		Held to 12/11	
H-6	R01-08-028	D01-11-066	Signed 5-0	
H-7	R95-04-043 etal		Held to 12/11	
H-8	R97-04-011 etal		Held to Jan/Feb 2002	
H-9	C98-06-016		Held to 1st January 2002 meeting	
H-9a	C98-06-016 Alt Order		Held to 1st January 2002 meeting	
H-10	R_____		Held to 12/11	
ORDERS				
1	R98-07-038		Held to 12/11	
2	R01-03-023		Held to 12/11	
3	R00-02-005	D01-11-067	Signed 5-0	
4	A00-07-040		Withdrawn	
4a	A00-07-040 Alt Order	D01-11-068	Signed 5-0	
5	A00-10-012		Held to 12/11	
6	R_____		Held to 12/11	
7	I_____		Held to 12/11	
8	I_____		Held to 12/11	
ENERGY				
E-1	Res E-3761		Approved 5-0	
E-2	Res G-3320		Held to 12/11	
TELCO				
C-1	Res T-16597		Approved 5-0	
C-2	Res T-16522		Approved 5-0	
WATER				
W-1	Res W-4294		Approved 4-1	Comr Duque dissented.
W-1a	Res W-4294 Alt Res		Defeated 3-2	Comrs Duque & Bilas voted in favor.

W-2	Res W-4280		Approved 5-0	
EXEC				
HEX-1	A01-05-032 etal		Held to 12/11	
HEX-2	A01-06-043		Held to 12/11	
HEX-3	A01-07-031		Held to 12/11	
HEX-4	A99-03-025		Held to 12/11	
HEX-5	R99-11-022		Held to 12/11	
EX-7	I98-02-025		Held to 12/11	
EX-8	C98-04-004 etal	D01-11-069	Signed 3-2	Comr Brown will file a concurrence; Pres Lynch and Comr Wood reserve the right to join in Comr Brown's concurrence. Comrs Duque & Bilas will file a dissent.
EX-9	A00-05-015 etal	D01-11-070	Signed 5-0	
EX-10	A00-12-041	D01-11-071	Signed 5-0	